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APPLICATION NO.	FILING DATE	FIRST NAMED INVENTOR	ATTORNEY DOCKET NO.	CONFIRMATION NO.
10/730,224	12/08/2003	David Lawrence	G08.133/U	4626
28062	7590	03/25/2008	EXAMINER	
BUCKLEY, MASCHOFF & TALWALKAR LLC			APPLE, KIRSTEN SACHWITZ	
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**Please find below and/or attached an Office communication concerning this application or proceeding.**

The time period for reply, if any, is set in the attached communication.

<b>Office Action Summary</b>	<b>Application No.</b> 10/730,224	<b>Applicant(s)</b> LAWRENCE, DAVID
	<b>Examiner</b> KIRSTEN S. APPLE	<b>Art Unit</b> 3694

-- The MAILING DATE of this communication appears on the cover sheet with the correspondence address --  
**Period for Reply**

A SHORTENED STATUTORY PERIOD FOR REPLY IS SET TO EXPIRE 3 MONTH(S) OR THIRTY (30) DAYS, WHICHEVER IS LONGER, FROM THE MAILING DATE OF THIS COMMUNICATION.

- Extensions of time may be available under the provisions of 37 CFR 1.136(a). In no event, however, may a reply be timely filed after SIX (6) MONTHS from the mailing date of this communication.
- If no period for reply is specified above, the maximum statutory period will apply and will expire SIX (6) MONTHS from the mailing date of this communication.
- Failure to reply within the set or extended period for reply will, by statute, cause the application to become ABANDONED. (35 U.S.C. § 133).

Any reply received by the Office later than three months after the mailing date of this communication, even if timely filed, may reduce any earned patent term adjustment. See 37 CFR 1.704(b).

#### **Status**

1) Responsive to communication(s) filed on 08 November 2007.

2a) This action is FINAL.      2b) This action is non-final.

3) Since this application is in condition for allowance except for formal matters, prosecution as to the merits is closed in accordance with the practice under *Ex parte Quayle*, 1935 C.D. 11, 453 O.G. 213.

#### **Disposition of Claims**

4) Claim(s) 1-12 is/are pending in the application.

4a) Of the above claim(s) \_\_\_\_\_ is/are withdrawn from consideration.

5) Claim(s) \_\_\_\_\_ is/are allowed.

6) Claim(s) 1-12 is/are rejected.

7) Claim(s) \_\_\_\_\_ is/are objected to.

8) Claim(s) \_\_\_\_\_ are subject to restriction and/or election requirement.

#### **Application Papers**

9) The specification is objected to by the Examiner.

10) The drawing(s) filed on \_\_\_\_\_ is/are: a) accepted or b) objected to by the Examiner.  
 Applicant may not request that any objection to the drawing(s) be held in abeyance. See 37 CFR 1.85(a).  
 Replacement drawing sheet(s) including the correction is required if the drawing(s) is objected to. See 37 CFR 1.121(d).

11) The oath or declaration is objected to by the Examiner. Note the attached Office Action or form PTO-152.

#### **Priority under 35 U.S.C. § 119**

12) Acknowledgment is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).

a) All    b) Some \* c) None of:  
 1. Certified copies of the priority documents have been received.  
 2. Certified copies of the priority documents have been received in Application No. \_\_\_\_\_.  
 3. Copies of the certified copies of the priority documents have been received in this National Stage application from the International Bureau (PCT Rule 17.2(a)).

\* See the attached detailed Office action for a list of the certified copies not received.

#### **Attachment(s)**

1) Notice of References Cited (PTO-892)  
 2) Notice of Draftsperson's Patent Drawing Review (PTO-948)  
 3) Information Disclosure Statement(s) (PTO/SB/08)  
 Paper No(s)/Mail Date \_\_\_\_\_

4) Interview Summary (PTO-413)  
 Paper No(s)/Mail Date \_\_\_\_\_

5) Notice of Informal Patent Application  
 6) Other: \_\_\_\_\_

## **Detailed Action**

This action is in response to communication filed on 11/8/2007.

### ***Priority***

Acknowledgment is made of applicant's claim for prior priority date of U.S. Provisional Patent Application 60/434,545 filed on 12/19/2002.

### ***Restriction***

Examiner acknowledges the applicant election of Group I (claims 1-12) in response to the election/restriction requirement, without traverse.

### ***Claim Rejections - 35 USC § 103***

The following is a quotation of 35 U.S.C. 103(a) which forms the basis for all obviousness rejections set forth in this Office action:

(a) A patent may not be obtained though the invention is not identically disclosed or described as set forth in section 102 of this title, if the differences between the subject matter sought to be patented and the prior art are such that the subject matter as a whole would have been obvious at the time the invention was made to a person having ordinary skill in the art to which said subject matter pertains. Patentability shall not be negated by the manner in which the invention was made.

Claims 1, 3, 5

7 10-12 are rejected under 35 U.S.C. 103(a) as being unpatentable over Friedland (U.S. Patent Publication 2002/0174060 A1) in view of Grigsby (U.S. Patent Publication 2002/0016758))

**Re claim 1:** Friedland discloses:

*A method, comprising:*

*Offering to sell an item to one or more pre-auction bidders at a pre-auction price (see Friedland, Figure 2, item 206 "prebid" & 208, and para 41-42)*

*Receiving an indication from the one or more pre-auction bidders accepting the offer to sell one or more items at the pre-auction price (see Friedland, Figure 2, and para 41-42 this limitation corresponds to the situation that the pre-bidder wins pre-auction items as discussed in para 42)*

*Publishing information descriptive of one or more pre-auction sales of one or more items (see Friedland, + Figure 2 & 4, pp 0030 "information" & pp 0041-0044 "pre-action")*

*Auctioning remaining items (see Friedland, Figure 2, Item 210 "open for bidding")*

Although Friedland does not specifically teach the method is for managing issuance of a new bond, and the sell items are bonds or a subset of bonds.

Grigsby is an auction or trading system that includes trading securities including managing issuance of a new bond (see Grigsby, Figure 3 & 5) and selling bonds on a subset of bonds (see Grigsby Fig. 21 and para 0146)

Therefore it would have been obvious to one of ordinary skill in the art at the time the invention was made to modify Friedland by adding bond managing and selling features of Grigsby,

It is clear that one would be motivated to attract more bidders by providing variety types of auction items.

**Re claim 3:** Friedland discloses:

*The steps of publishing the number of items offered at the pre-auction price (see Friedland, pp 0080 - "lots" include a number of items and pp 0040-0042 "the number of items" corresponds to the plurality of lots in Friedland's teaching)*

**Re claim 5:** Friedland discloses:

*The step of determining pre-auction bidders based upon at least one of: investor suitability, investment objectives and prior investment history. (see Friedland, Figure 5 + pp 0058-0063 specifically 0063 “reject a client if the credit information ... is inadequate”)*

**Re claim 10:** Friedland discloses:

*Comprising the steps of:*

*Receiving one or more bids comprising a price per item and a number of items (see Friedland, Figure 8 “high bid” – the “lot” of Friedland has a set number of items see pp 0008)*

*Allocating items according to a highest price per item bid for a corresponding number of items until all items comprising the offering have been allocated (see Friedland, Figure 8, pp 0044 “sold to the current highest bidder” – a lot is a set number of items see 0008)*

See discussion in claim 1 above regarding “bond” as the item.

**Re claim 11:** Friedland discloses:

*If more than one bid is received items are allocated to highest bidder (Friedland, Figure 8 “high bid”)*

Because Friedland is dynamic it is silent to the same price:

*However, Grigsby claims ”If more than one bid is received comprising the same price per bond, bonds are allocated for that price on a first bid received, first bonds allocated basis” (see Grigsby, pp 0082 “earlier indications may be allowed to purchase the bonds before parties who submitted their indications later”)*

Therefore it would have been obvious to one of ordinary skill in the art at the time the invention was made to modify Friedland by adding time basis of Grigsby.

It is clear that one would be motivated to have a fair and consistent way of allocating.

**Re claim 12:** Friedland discloses:

*If more than one bid is received items are allocated to highest bidder (Friedland, Figure 8 “high bid”)*

Because Friedland is dynamic it is silent to the same price:

However, Grigsby claims *“If more than one bid is received comprising the same price per bond, bonds are allocated for that price on a partial amount”* (see Grigsby, pp 0082 “permit a pro-rata purchase”)

Therefore it would have been obvious to one of ordinary skill in the art at the time the invention was made to modify Friedland by adding pro rata of Grigsby.

It is clear that one would be motivated to have a fair and consistent way of allocating.

+++++

Claims 2, 4, 6-8 & 12 are rejected under 35 U.S.C. 103(a) as being unpatentable over Friedland (U.S. Patent Publication 2002/0174060 A1) in view of Grigsby (U.S. Patent Publication 2002/0016758) in further view of Official Notice

**Re claim 2:** Friedland discloses:

*The information descriptive of the pre-auction sales of an item comprises the pre-auction price (see Friedland, paragraph 0044, “bid equal to or exceeding some minimum desired value” + pp 0080)*

See discussion in claim 1 above regarding “bond” as the item.

Although Friedland does not publish this information; but instead has chosen a design feature that makes this information secret. It is known and contained within the system.

The examiner claims Official Notice that this price information could be published.

It is clear that one would be motivated to provide full information, so that the bidding participants can view the information related to the auctioned item.

**Re claim 4:** Friedland discloses:

*Records how many items each pre-auction bidder received (see Friedland, figure 2, item 232 “sold”)*

See discussion in claim 1 above regarding “bond” as the item.

Although Friedland is silent about if it publishes information on how many bonds each pre-auction bidder received; but instead has chosen a design feature that makes this information secret. It is known and contained within the system. It is known and contained within the system.

The examiner claims Official Notice that this price information could be published. However Friedland has chosen a design feature that makes this information secret.

It is clear that one would be motivated to provide full information, so that the bidding participants can view the information related to the auctioned item.

**Re claim 6:** Friedland discloses:

*Item contain a pre-action price (see Friedland, paragraph 0044, “bid equal to or exceeding some minimum desired value” + pp 0080)*

Although Friedland does not have

*Pre-auction price is determined by an issuer of the bonds and a lead manager for the stock*

Although Friedland is silent about who determines the price, Grigsby specifically uses a test system from the issuer (or associate entity) to obtain a test price (see Grigsby, pp 0070-0073).

Therefore it would have been obvious to one of ordinary skill in the art at the time the invention was made to modify Friedland by adding issuer of Grigsby

It is clear that one would be motivated to have a consistent method.

See discussion in claim 1 above regarding “bond” as the item.

**Re claim 7:** Friedland discloses:

*Collecting information on the pre-auction bidders (see Friedland, Figure 5 + pp 0058-0063)*

Although Friedland does not have

*making available a list comprising those pre-auction bidders that have previously purchased pre-auction bonds comprising a bond offering managed by an investment bank involved in offering to sell the subset of bonds*

The examiner claims official notice that Friedland lists this information because information on each bidder is collected and what items the bid and win. In addition see Grigsby 0078. See Claim 1 regarding “bond” as the item. With the case of bonds the applicants own Admitted Prior Art discusses the “conflicts of interest” issues related to bonds.

Therefore it would have been obvious to one of ordinary skill in the art at the time the invention was made to modify Friedland by adding disclosure information of the pre-auction bidders.

It is clear that one would be motivated to avoid US regulation issues such as the SEC.

**Re claim 8:** Friedland discloses:

*Collecting information on the previously purchased items (see Friedland, Figure 5 + pp 0058-0063)*

Although Friedland does not have:

*Comprising the step of making available information descriptive of an investment experience related to the previously purchased pre-auction bonds comprising the pre-auction price of the previously purchased pre-auction bonds*

The examiner claims official notice that Friedland collects this information because information on each bidder is collected and what items the bid and win. In addition see Grigsby 0078. See Claim 1 regarding “bond” as the item. With the case of bonds the applicants own Admitted Prior Art discusses the “conflicts of interest” issues related to bonds.

Therefore it would have been obvious to one of ordinary skill in the art at the time the invention was made to modify Friedland by adding disclosure information of the pre-auction bidders.

It is clear that one would be motivated to avoid US regulation issues such as the SEC.

**Re claim 9:** Friedland discloses:

*Comprising the steps of:*

*Setting a reserve price for the auction (see Friedland, figure 2, item 210 + paragraph 0044, “bid equal to or exceeding some minimum desired value”))*

*Determining a total amount to be received from accepted pre-auction offers and auction bids, and (see Friedland, Figure 2, item 206 – 210 + “lots”)*

*Conditioning sale of the bonds comprising the auction upon the total amount equaling or exceeding a reserve price (see Friedland, Figure 2, item 210+ paragraph 0044, "bid equal to or exceeding some minimum desired value")*

Although Friedland has a generic "auction" instead of an:

*initial public offering*

The examiner claims official notice that an IPO is just the first time for offering an item (in this case a bond) to the public thru a trading platform such as NASDAQ. This is simply a generic auctioning system.

Therefore it would have been obvious to one of ordinary skill in the art at the time the invention was made to modify Friedland by adding IPO from Official Notice

It is clear that one would be motivated to specify the trading platform for the auction.

See discussion in claim 1 above regarding "bond" as the item.

***Contact Information***

Any inquiry concerning this communication or earlier communications from the examiner should be directed to Kirsten S. Apple whose telephone number is 571.272.5588. The examiner can normally be reached on Monday - Friday 9:00-5:30.

If attempts to reach the examiner by telephone are unsuccessful, the examiner's supervisor, James Trammell can be reached on 571-272-6712. The fax phone number for the organization where this application or proceeding is assigned is 571-272-6126.

Information regarding the status of an application may be obtained from the Patent Application Information Retrieval (PAIR) system. Status information for published applications may be obtained from either Private PAIR or Public PAIR. Status information for unpublished applications is available through Private PAIR only. For more information about the PAIR system, see <http://pair-direct.uspto.gov>. Should you have questions on access to the Private PAIR system, contact the Electronic Business Center (EBC) at 866-217-9197 (toll-free).

ksa

/Kirsten S Apple/  
Examiner, Art Unit 3694